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Subject: Re: [FWD: Revised Valuation & Salameno Term Sheet]
From: James Barry <jamesbarryjr@gmail.com>
Date: Mon, Jul 21, 2014 8:25 am
To: brittany@fashionboss.com

Hi Brittany!

Sorry I was Missing in action. I took a last minute trip and did not have any cell or email. I will fill you in when I see you. I am not available for a drink tomorrow but I may be in the city for a small window of time. what is your schedule looking like?

As far as Larry's percentage is concerned I would simply value your company on money in and shave some points on Larry for not fulfilling his commitment. It is really simple. I would give Larry 10% for seeding the company based on the current valuation and the need to raise money. we can talk about it on the phone if you want.

On Jul 14, 2014, at 1:16 PM, brittany@fashionboss.com wrote:

Hi Jim!

Thanks for taking a look at the term sheet update below.

Are you around July 22 for a cocktail?

----- Original Message -----

Subject: Revised Valuation & Salameno Term Sheet

From: <brittany@fashionboss.com>

Date: Wed, July 02, 2014 3:45 pm

To: jbarry@procapindustries.com

Hey Jim,

Hope hockey was awesome last night! Big plans for the 4th at the new pad? My sister is coming to Georgetown, so I am so excited! :)

I pulled out the term sheet and was trying to calculate Mr. Salameno's current equity stake taking into account some increased valuation since last summer. Could you kindly let me know if the revised valuation and equity sounds right?

I am unsure about a few other terms in the letter such as:

- 1) Does he still get the preferred equity and board seat?
- 2) and all the other terms of the term sheet, like conversion and liquidation?
- 3) how do I reconcile and confirm his equity share at this point? need to be clear with other investors moving forward the exact percentage I have to offer them without fear of any later disputes by Mr. Salameno. I requested the same clarification from him in my last emails but still have not heard back from him.
- 4) is my current valuation more than \$2,250,000 at this point?

This was the original breakdown (see attached term sheet):

Total Authorized Shares: 150,000 Shares

Pre-Money Valuation: \$1,500,000

Founder (Brittany Rawlings): 100,000 Common Membership Units ("Common Units")

Investor: Up to 50,000 Seed Round Preferred Units or 33%

Class of Security: Seed round preferred membership units ("seed round preferred units")

Price per seed round

preferred unit: \$10 per seed round preferred unit

Amount of investment: \$500,000 (50,000 total Seed Round Preferred Units, or alternatively 33% of the Company and one (1) board of director seat.)

This was the new breakdown (?):

Total Authorized Shares: 150,000 Shares

Valuation with inflation: \$2,250,000

Founder (Brittany Rawlings): 138,334 Common Membership Units or 88.4% ("Common Units")

Investor: Up to 11,666 Seed Round Preferred Units or 11.6%

Class of Security: Seed round preferred membership units ("seed round preferred units")

Price per seed round

preferred unit: \$15 per seed round preferred unit

Amount of investment: \$175,000 (11,666 total seed round preferred units, or alternatively 11.6% of the company)

Thanks so much Jim!

<Term Sheet FASHIONBOSS Seed Financing Draft 9.15.13.doc>